Doe Run Peru Appeals Fine on La Oroya Emissions

Issues are minor and have already been resolved, company says.

La Oroya (PRWebDirect) September 13, 2007 -- Doe Run Peru has appealed a fine levied on it by regulators for allegedly surpassing emissions standards at its La Oroya metallurgical complex. A company official said the issues covered by the fine are minor and have already been addressed and resolved.

“The issues raised in general referred to minor operational matters that are typical of the startup of new processes and the company has taken the appropriate corrective measures,” Jose Mogrovejo, Doe Run Peru’s vice president for environmental affairs said of the resolution issued by the general management of Osingermin, an independent Peruvian regulatory agency. “Today, these issues have been completely resolved.”

Mogrovejo added that the infractions were not of a magnitude that could harm the environment, as demonstrated by environmental quality measurements taken by auditors. “Our concern is that people could infer from reading the resolution that it says we have damaged the environment, and that is not the case,” he said.

Mogrovejo noted further that Doe Run Peru is dedicating all available resources – financial, technical and human – to keeping its commitment to the Peruvian government and the people of La Oroya. Thus far the company has agreed to spend more than $244 million on environmental improvements in La Oroya, 2.3 times what it agreed to with the government when Doe Run Peru purchased the 80-year-old metallurgical complex in 1997.

These investments – which total more than $132 million so far -- have allowed the company to achieve important milestones including:

• Discharge of effluents: Doe Run Peru purifies all effluents before releasing them into the Mantaro River and the amount of the discharges has been significantly reduced since October of 1997: Discharges into the river have been reduced by 88 percent since 1997 and the river is no longer negatively affected.
• Maximum Permissible Limits: The company is within the government’s maximum permissible limit for emissions of lead, arsenic and heavy metals. This includes a 50 percent reduction in emissions of particulate matter.
• Air quality standards: The company has met monthly air quality targets since March, for the first time in La Oroya’s history.

Doe Run Peru has also made significant strides in implementing modern environmental management systems. Recognition of this came in August 2006 when the systems received independent validation in the form of an ISO 14001 certification.

About the appeal:
Doe Run Peru believes that the elements raised in the Osingermin resolution have not harmed the environment, as the auditors have corroborated, and therefore Osingermin's General Management sanctions should be reviewed.

The company pointed to the following examples:
• Alleged spills from the bathroom of a portable office used by six contractors working on environmental projects related to the company’s environmental operating agreement with the government. This problem was corrected when it was identified by inspectors and was always minor, too small to result in irreversible damage to the environment.
• Periodic discharges that took place during the launch of the industrial water treatment plant. The discharges were minor, lasted only short periods of time and were corrected when they were found by inspectors. Mantaro River water quality was unaffected, according to measurements the auditors took in the river. It is also important to note that the discharges occurred before the expiration of the corresponding environmental operating agreement.
• Regarding charges of sulfur dioxide and particulate emissions, air monitoring during the days referenced in the resolution revealed no negative effects on air quality and the measurements remained within acceptable levels.

“We believe that the incidents that the General Management of Osingermin sanctioned in no way harmed the environment and were resolved immediately,” Mogrovejo said. “The company is dedicating all available resources to meeting environmental goals within the established timeframes,” he noted, adding that an illustration of that is the construction of the sulfuric acid plant for the lead circuit, which began on time in July and is expected to be completed in September 2008.

About Doe Run Peru:
Doe Run Peru is a mining and metals company operating in Peru's central Andes. The company has run the La Oroya metallurgical complex since 1997 and the Cobriza mine in Huancavelica since 1998, producing high quality refined metals while at the same time working to operate in a socially and environmentally responsible way.
For more information visit: http://www.doerun.com.pe

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Contact Information
Victor Andres Belaunde
v-fluence
http://www.doerun.com.pe
511-215-1285

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